VZCZCXRO7255 OO RUEHFK RUEHKSO RUEHNH DE RUEHKO #1608/01 1640741 ZNY CCCCC ZZH O 120741Z JUN 08 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC IMMEDIATE 4995 INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 3870 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 2659 RUEHUL/AMEMBASSY SEOUL IMMEDIATE 9869 RUEHFK/AMCONSUL FUKUOKA IMMEDIATE 8323 RUEHNH/AMCONSUL NAHA IMMEDIATE 0700 RUEHOK/AMCONSUL OSAKA KOBE IMMEDIATE 2018 RUEHKSO/AMCONSUL SAPPORO IMMEDIATE 8910 RUEHIN/AIT TAIPEI IMMEDIATE 7061 RUEAIIA/CIA WASHDC IMMEDIATE RUCPDOC/DEPT OF COMMERCE WASHINGTON DC IMMEDIATE RHEFDIA/DIA WASHINGTON DC IMMEDIATE RHHMUNA/HQ USPACOM HONOLULU HI IMMEDIATE RHEHAAA/NSC WASHDC IMMEDIATE RUEATRS/TREASURY DEPT WASHDC IMMEDIATE RHMFISS/USFJ IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 001608

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TAGS: PGOV PREL JA

SUBJECT: CENSURE MOTION PASSES; FUKUDA STANDS FIRM

REF: TOKYO 1540

Classified By: Ambassador J. Thomas Schieffer, reasons 1.4(b),(d).

- 11. (C) Summary. The opposition followed through on its threat to pass a largely symbolic censure motion against Prime Minister Fukuda on June 11 over his handling of the new medical insurance program for the elderly and other domestic issues. The response, thus far, has been underwhelming. Passage marks the first use of an Upper House censure motion against a Prime Minister, and, coupled with a boycott by most of the opposition parties, will bring most remaining legislative activity in the House of Councillors to a halt until the session closes on June 21. The non-binding censure motion has no legal effect, however, and PM Fukuda has already pledged to ignore demands to step down or dissolve the Lower House for a snap election. End Summary.
- 12. (C) The opposition-controlled Upper House finally passed a non-binding censure motion against Prime Minister Yasuo Fukuda on June 11, after backing down on similar threats over a half-dozen times in the past eight months. Embassy contacts see the move as largely symbolic, given the timing so close to the end of the Diet session. Fukuda was censured for ignoring calls to abolish the controversial new medical insurance system for the elderly that he introduced on April 15, using his two-thirds majority in the Lower House to re-instate the provisional gasoline tax the same month, and failing to resolve the issue of unidentified pension accounts by his own self-imposed deadline of March 31. The opposition also took a swipe at the Prime Minister's sagging popularity ratings, noting that the public has already "turned its backs" on him for failing to set clear policy goals. The text refers to the override vote on the gasoline tax as an "absolute insult to the Upper House, a chamber under the bicameral system that reflects the popular will expressed in the latest elections," and goes on to say that failure to pass a censure motion for all of the reasons stated above would have "undermined the authority of the Upper House."
- 13. (C) The censure motion calls on the Prime Minister to choose between "cabinet resignation en masse and dissolving the Lower House for a snap general election to ask for a public vote of confidence." Fukuda, while vowing to take the matter seriously, has made clear repeatedly that he will do neither for now, and the censure motion provides no legal basis to force him to do otherwise. What adoption of the

censure motion does do, however, is provide Upper House lawmakers from the main opposition Democratic Party of Japan (DPJ), as well as the much smaller Social Democratic Party (SDP) and People's New Party (PNP), to boycott all further Diet-related activities. Their absence from the Upper House, where they control 125 of 242 seats and most key committees, will ensure the success of a boycott. The Japan Communist Party (JCP), which did not join in submitting the censure motion but did vote in favor, has opted out of the boycott, preferring to voice its views in public debate. The PNP only signed on after the DPJ promised to retract its decision on an appointment to the Bank of Japan Policy Board. Embassy contacts note that there were dissenting opinions within the DPJ right up until the end.

- 14. (C) The ruling parties responded to submission of the censure motion by passing a rare confidence motion, last employed in 1992, in the Lower House. Confidence and no-confidence motions, unlike censure motions, are legally binding, but are limited to the House of Representatives. Rejection of a confidence motion could have forced Fukuda to resign or call an election, but was largely symbolic in this case, given ruling coalition control of 335 of 480 seats in the Lower House. Control of the Lower House means the ruling coalition can extend the Diet session from June 15 to June 21 to secure passage of an Economic Partnership Agreement with ASEAN. Other legislative activity, however, will essentially come to an end today.
- $\underline{1}$ 5. (C) The public reaction of ruling party officials to TOKYO 00001608 002 OF 002

passage of the censure motion has been fairly mild, with most echoing press reports questioning timing and motive, particularly in light of the flurry of cooperative activity on a number of bills passed in recent days. Ruling Liberal Democratic Party (LDP) Secretary General Bunmei Ibuki criticized the opposition for utilizing a non-binding motion, rather than submitting a formal no-confidence motion in the Lower House. Former Prime Minister Junichiro Koizumi labeled the opposition move, "tantamount to bullying." Fukuda, who has seen a slight up-tick in his support rate in several recent polls, is seeking to align himself with the general public as joint "victims" of the DPJ's obstructionist tactics throughout the Diet session.

16. (C) The ruling parties will likely continue this measured approach, Embassy contacts say, in hopes of limiting the impact this latest setback could have on the upcoming extraordinary Diet session, currently slated to begin in August. While there is no legal authority or precedent for this censure motion, the first successful one ever against a Prime Minister, Embassy contacts cite the measure as a means for the opposition to justify a continuation of their Diet boycott into the next session. The government plans to propose bills to extend legislation authorizing refueling efforts in the Indian Ocean in support of Operation Enduring Freedom beyond January 2009, amend the controversial new medical insurance system for the elderly, and create a consumer affairs agency, among other things. SCHIEFFER